STATE OF ALABAMA COUNTY OF BALDWIN

ARTICLES OF AMENDMENT TO DECLARATION OF CONDOMINIUM OF GRAND CARIBBEAN, A CONDOMINIUM

State of Alabama, Baldwin County I certify this instrument was filed and taxes collected on:
2005 August -31 12: 6PM
Instrument Mumber 918822 Pages 5
Recording 15.00 Mortgage Deed Min Tax 5.00 Archive 5.00 Archive

Pursuant to Ala. Code Section 35-8A-217, the GRAND CARIBBEAN CONDOMINIUM ASSOCIATION, INC., A NON PROFIT CORPORATION, hereby submits the following Articles of Amendment to the Declaration of Condominium of Grand Caribbean, a Condominium, as recorded in Instrument 740688 on July 3, 2003 in the office of the Judge of Probate of Baldwin County, Alabama:

I. Article VI, Section 6.05 is amended to read:

6.05 Detailed Records. The Association shall keep detailed, accurate records in chronological order of the receipts and expenditures affecting the Common Elements and the Limited Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements, Limited Common Elements and any other expenses incurred. Records and vouchers may be examined by Members or their authorized representatives during convenient hours on weekdays in a location designated by the Board of Directors in Baldwin County, Alabama.

II. Article VII, Section 7.02 (C) is amended to read:

7.02 Each Owner's Obligation to Repair.

* * *

(C) The Association shall be obligated to answer any request by a Unit Owner for any required approval of a proposed addition, alteration or improvement (by painting or otherwise) within forty-five (45) days after such request, and its failure to do so within the stipulated time shall constitute a consent of the Association to the proposed addition, alteration or improvement. Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to an Unit shall be executed by the Association, without, however, its incurring any liability on the part of the Board of Directors or any one (1) of them or the Association to any contractor, subcontractor or materialman on

account of such addition, alteration or improvement, or to any person having claim of injury to a person or property arising therefrom. The review by the Association under this section shall in no way make the Association liable for any alterations, additions, or improvements by any Unit Owner. Rather, such review is for purposes of aesthetics and control only. The provisions of the section shall not apply to Units owned by the Developer until a deed for such Unit has been delivered to a purchaser other than the Developer.

III. Article VII, Section 7.04 is amended to read:

7.04 Utilities. Each Unit owner shall be required to pay all charges for utilities (to the extent they are not provided by the Association), including, but not limited to electricity, cable television, and telephone service, used or consumed in an Owners Unit. The utilities serving the Common Elements only shall be separately metered and paid by the Association as a Common Expense. The Association shall be responsible for the payment of the common water and sewage used in the Units and the Common Elements. Also, the Association shall have authority to pay all or part of the cost of cable television and telephone used or consumed in the Units and have the costs thereof apportioned among the Units in the same manner as Common Expenses.

IV. Article X, Section 10.07 is amended to read:

Article X, Section 10.07 Loss to Common Elements, Limited Common Elements and/ or Private Elements. In the event of loss or damage to Common Elements, Limited Common Elements and/or any Private Element of any Unit by reason of fire or other casualty, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Association or Insurance Trustee, as the case may be, to cover such loss or damage shall be first applied to the repair. replacement or reconstruction of the Common Elements, then to the repair, replacement or reconstruction of the Private Elements and the Limited Common Elements sustaining any loss or damage, then such excess insurance proceeds shall be paid and distributed by the Association or the Insurance Trustee to the Owners of all units, and to their Mortgagees, as their respective interests may appear. Such distributions are to be made in the manner and in the proportions as are provided for the distributions of insurance proceeds under this Article. If there is no insurance coverage for such loss or damage, or if it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Association or the Insurance Trustee, as the case may be, are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be sufficient, then the Board of Directors shall, based on reliable and detailed estimates obtained by it from competent and qualified parties, determine and allocate the cost of repair,

replacement or reconstruction between the Common Elements, the Limited Common Elements and the Private Elements of Units sustaining any loss or damage. If the proceeds of said fire and casualty insurance, if any, are sufficient for the repair, replacement or reconstruction of any loss of or damage to the Common Elements, but are not sufficient to repair, replace or reconstruct any loss of or damage to the Limited Common Elements or the Private Elements of Units sustaining damage, then the Association shall levy and collect an assessment from the respective Owners of the Private Elements and/or the Owners to whom Limited Common Elements have been allocated which sustained any loss or damage, and the assessment so collected from said Owner shall be deposited with the Insurance Trustee, if any, so that the sum shall be on deposit for the repair, replacement or reconstruction of all Common Elements, Limited Common Elements, if any, and Private Elements of Units. In said latter event, the assessment to be levied and collected from the Owner of each Private Element sustaining loss or damage shall be apportioned between such Owners in such manner that the assessment levied against each owner of a Private Element shall bear the same proportion to the total assessment levied against all of said Owners of Units sustaining loss or damage as the cost of repair, replacement or reconstruction of each Owner's Private Element bears to the cost applicable to all of said Private Elements sustaining loss or damage. If the fire and casualty insurance proceeds, if any, payable to the Association or the Insurance Trustee in the event of the loss of or damage to Common Elements, the Limited Common Elements and the Private Elements of Units are not an amount which will pay for the complete repair, replacement or reconstruction of the Common Elements, it being recognized that such insurance proceeds are to be first applied to the payment for repair, replacement or reconstruction of said Common Elements before being applied to the repair, replacement or reconstruction of any Limited Common Elements or Private Elements of a Unit sustaining loss or damage, then the cost to repair, replace, or reconstruct said Common Elements in excess of available fire and casualty insurance proceeds shall be levied and collected as an assessment from the Owners of all Units in the same manner as would be levied and collected had the loss or damage sustained been solely to the Common Elements and the fire and casualty insurance proceeds been not sufficient to cover the cost of repair, replacement or reconstruction. The cost of repair, replacement or reconstruction of the Limited Common Elements and the Private Elements of each Unit sustaining loss or damage shall then be levied and collected by assessment of the Owners of the Private Elements sustaining the loss or damage in the same manner as is above provided for the apportionment of such assessment between Owners of Limited Common Elements and Private Elements sustaining loss or damage. Notwithstanding anything to the contrary in this Article, to the extent that the insufficiency of insurance proceeds to cover the total cost of repairing, replacing or reconstructing the Common Elements, the Private Elements and the Limited Common Elements is due to the insurance deductibles applicable to the causes of the losses involved, the Board shall assess all Owners for the amount of the

deductible caused insufficiency of proceeds as though only the Common Elements had been damaged.

IN WITNESS WHEREOF, Grand Caribbean Condominium Association has caused this instrument to be executed this 5 14 day of August, 2005 by its President, R. Gary Bailey, and its Secretary, Theresa L. Phillips, who hereby certify that:

- a. They are authorized to execute and certify these Articles of Amendment on behalf of the Association and to record them in the Office of the Judge of Probate of Baldwin County Alabama, the county in which Grand Caribbean, a Condominium, is located;
- b. Each of the foregoing amendments was duly adopted at the Annual Owners' Meeting of the Association held on December 4, 2004;
- c. Each of the said amendments was adopted by an affirmative vote of unit owners of units to which at least two-thirds of the votes in the Association are allocated.

Grand Caribbean Condominium Association, Inc.

Its President

Its Secretary

State Of Alabama
County of Mohilo

Before me the undersigned authority, personally appeared R. Gary Bailey, whose name as President of Grand Caribbean Condominium Association, Inc., is signed to the foregoing Articles of Amendment, who is known to me, and did acknowledge on this day that, being fully informed of the contents of this instrument, he, as such President, with full authority, executed the same voluntarily for and as the act of the said corporation..

Given under my hand and seal this 5th day of august, 200

Notary Public, State at Large

State Of Alabama
County of Baldwi'

Before me the undersigned authority, personally appeared Theresa L. Phillips, whose name as Secretary of Grand Caribbean Association, Inc., is signed to the foregoing Articles of Amendment, who is known to me, and did acknowledge on this day that being fully informed of the contents of this instrument, she, as such Secretary, with full authority, executed the same voluntarily for and as the act of the said corporation.

Given under my hand and seal this 27 day of August, 2005.

Notary Public, State at Large

MY COMMISSION EXP

This instrument prepared by: Ralph Loveless Attorney at Law P.O. Box 1533 Orange Beach, Al. 36561